

PLATEAUED PRACTICE SYNDROME... continued from page 1

The "growth strategy" is really very simple - invest in your practice. A smart investment in your practice will yield a much greater return than any other investment you could make right now.

The "Big 3" Investments Guaranteed to Give You the Greatest Return!

There are what I call the "BIG 3" investments every single dentist in America should be making in their practice because they are proven to have the highest payback. By far these are the most conservative and logical revenue producing investments. So this is where you should be putting your money, your time and your focus because ultimately they will drive more net income if done correctly.

SPACE & EQUIPMENT:

This is your "physical plant," the facility at which you make money. You have to have a physical place to treat patients. All you really need is a building and the basic equipment, but the degree to which you equip your space will dictate your profitability. Unused treatment rooms are wasted opportunity, so you have to figure out how to fill them up and generate revenue from those rooms. If you're busting at the seams and have no extra space then you are capping your opportunities to grow because you can only physically put so many patients a day in the rooms. At this point growth is a simple formula. **Take your total production for some time period and divide it by the number of rooms you use to get an average production per room per day figure.** Then, just decide how many rooms you need to add to reach a certain production level.

MARKETING:

Marketing is what drives new patients and new patients are what drive everything else in the practice. Filling the funnel with a steady stream of new patients will naturally provide more growth opportunity in every other area of the practice. **If you say you don't want more or don't have enough new patients, usually this means there's a desperate need for attention on one of the "Big 3."**

The bottom line is that you must be spending money to drive up new patients. If you're already marketing, take a close look at the results it's producing and clean things up. **If something's profitable, scale it up and do more of it.** Don't repeat what's not profitable. Invest that money in other marketing or one of the other two "Big 3."

Turn Your Biggest Expense Into Your Most Profitable Investment

HUMAN CAPITAL:

This is by far the most important and must be handled first because it's the foundation on which everything else is going to be built. Most dentists are blind to the true cost of having under-performing human capital. The reality is it will cost you millions of dollars over the course of your career. I use a unique tool and rating system to determine how well staff is performing. To get

a rating of your staff and find out how they are performing, go to www.SchedulingInstitute.com/Learn-More.

And make no mistake, if you ignore this or try to deal with it after the fact, neither of the other two "Big 3" will produce the return they are capable of and you will never get off the plateau. This is step #1.

It is critical that you understand that every person you employ, anyone who is on your payroll, anyone who is given the opportunity to work in your practice is your human capital. This is a forced investment you have to make based on the nature of your business. You have to have people to serve the patients.

Every time you pay your team you are making an investment. Just like with any investment, you should expect a great return! **Every person in your practice should be returning their salary or wage to you.** I don't mean actually paying you back what they make, but they should be involved in some aspect of the practice that creates a profit and contributes to its ultimate growth.

Think about each of your staff members and what they do or are involved in that creates a profit or drives revenue. Based on our experience working with thousands of dentists I know that you aren't clear on this for all of your staff. You have got to get clarity. It will dictate your ability to drive up collections, improve service and increase overall profitability.

Let's look at a few of the most common positions in a dental practice and what profitable activity they should be focused on and held accountable for.

Front Desk Staff = Getting New Patients
Assistants = Increasing Your (the Dentist's) Productivity
Hygienists = Production

Is Your Well-Paid Staff Under-Performing?

Without fail, in every single one of the more than 8,000 practices we've worked with over the last 10 years, we find that human capital is not performing at their peak potential and are not being leveraged to do so.

The area with the greatest opportunity therefore, is the first place we start – at the front desk. Ninety-eight percent of new patients call before coming into your office. This means your front desk staff is their first impression and the "gate-keeper" to your schedule. If your staff is motivated to be focused on new patients and trained how to effectively handle them, they can increase your new patients. **And we all know, new patients drive revenue!** But if they're not, they could actually be costing you more than just their salary or hourly rate.

Our research has found that most dentists are losing 10 to 50 percent of potential new patients because of this. If you're

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Seal Me! by Dr. Woody Oakes²

How many of you are doing sealants for your adult patients? Every virgin tooth in my own mouth has a sealant. I wouldn't have it any other way

I had a sign in our office that read, **"A Tooth Without a Sealant... is Like a Car Without a Seat Belt!"**

People saw the sign and asked our hygienist about it. We charged \$300 to seal the entire mouth... all the pits and grooves. This is an easy sell when you explain the benefits. And the other thing is, this takes about zero chair time on my part. The sealants are placed by the hygienist or by an expanded duty assistant.

The seat belt analogy really gets folks thinking about the risk their teeth have without sealants. Here are some helpful hints:

1. We always use our intra-oral camera "live" to inspect the grooves in patients' teeth. If #3 has a mesial restoration, it's easy to sell a sealant on the dental groove.
2. We use the Diagnodent and caries detector to examine all virgin grooves in the teeth. If you don't do this, you'll probably seal some teeth with active decay.
3. Use a rubber dam when placing sealants.
4. Replace lost sealant material because it's easier to check at subsequent hygiene appointments.
5. We replace lost sealants at NO CHARGE... that's right, a "lifetime" guarantee.
6. We do a pre-op photo and a post-op photo (full arch) after the teeth are sealed.
7. If the patient hesitates about having a sealant placed. ... have a photo of the hygienist, assistant and doctor's sealed teeth handy. "Here's a photo of one of Dr. Oakes' teeth that have been sealed. It's been protecting that tooth for 17 years." Use that kind of dialogue.
8. Explain the difference in cost between a filling and a sealant. "You can seal and protect this tooth for \$ xxx, but if it decays, you're looking at three times the cost, plus an injection, plus time off work, etc."

If you seal one mouth per day at \$300, and work 200 days per year, you've easily added an extra \$60,000!

averaging 20 new patients a month, you're losing two to ten. **If your average new patient is worth \$1,500, this could be costing you \$3,000 to \$15,000 a month - that's \$36,000 to \$180,000 a year.**

Clearly with this level of potential growth or loss at stake you've got to have a gauge or rating of some sort to tell you how your human capital is performing at any given time. We provide our clients with a "rating" based on five specific criteria for how each front desk staff person is handling actual new patient calls. And as we continue to leverage these team members and train them, we see a direct correlation between their rating and the practice's overall productivity and profitability. New patients are the life-blood of a practice so when they are able to increase new patients, everything gets better. To have your staff rated to determine how well they are performing, go to www.SchedulingInstitute.com/Learn-More.

One of the big mistakes I see dentists make is not believing that these "Big 3" correlate. **So what they'll do is take one of these areas and increase their investment in it, yet remain completely blind to the other two. It produces a little bump up and then a fall back, but it doesn't really produce a big net increase.**

Again, don't make this complicated. Start with human capital. You already make a huge investment in this every day. So let's be sure it's performing and giving you a return. Securing this is like insurance for any other investment you make from that point on. Marketing makes the phone ring and people answer the phone. So if the phones aren't covered or handled properly then the marketing investment is wasted. If the space & equipment are adequate, but there's not a steady stream of patients coming in to fill it, that too will be a wasted investment. To find out what kind of return your staff is currently giving you, go to www.SchedulingInstitute.com/Learn-More.

Jay M. Geier, Founder & President of the Scheduling Institute, is a well-known dental coach and speaker and has helped more than 10,000 dentists nationwide grow their practices and change their lives. For more information on Jay's programs call (866) 344-3192 or email JayGeier@SchedulingInstitute.com. Jay offers a free staff analysis and rating of your staff to determine exactly how your human capital is performing today. If you'd like him to do this for your practice go to www.SchedulingInstitute.com/Learn-More.

¹²Articles reprinted with permission from Excellence In Dentistry, LLC (1-800-337-8467), publisher of *The Profitable Dentist*® Newsletter (www.theprofitabledentist.com).

MERRY CHRISTMAS & HAPPY NEW YEAR!

It's hard to believe that another year has come to a close. 2013 was filled with the most exciting event of all, moving into our new office! Time sure has flown by having been in our new location for six months already. We had a great time getting into the holiday spirit this year with our secret santa gifts and our new ugly sweater tradition. Those are some good looking sweaters! We hope you all had a Merry Christmas and were able to spend time with your loved ones during the holiday season. We also would like to wish you a prosperous New Year for 2014. We look forward to another great year with you and the great partnerships we have made. Cheers to 2014!



ONLINE REFERRAL FORM

As an electronic office, we want to ensure a smooth and pleasurable experience for both the referring office and the patient. This is why we have created the online referral form for you to use at your convenience. The form is located on our website at www.castlerockoms where you can click on the 'referring doctors' tab and select 'referral form.' Fill the form out with the information you would like Dr. Hart to know and click submit. The form is then sent directly to us! The process is quick for your staff and one less piece of paper for the patient to bring to their appointment. We hope you enjoy using it!



**Discover the fool proof strategy guaranteed to cure
PLATEAUED PRACTICE SYNDROME
...even if you don't think you have it!**

by Jay M. Geier¹

It is completely unavoidable. Totally inevitable. Ninety-six percent of dentists who own their own practice will face **Plateaued Practice Syndrome** at some point. Typically, it doesn't happen right away after getting into practice. That's the period I call the "honeymoon phase," and it's a time when there are very few results already established so it's easy to make things go up. Most dentists see pretty big increases at the beginning of practice.

Plateaued Practice Syndrome usually happens sometime after the "honeymoon phase," mid-way through or toward the latter part of your career. The actions you take and the decisions you make when dealing with this will affect your personal income and change your lifestyle. It will dictate the future of your practice and shape your "Exit Strategy." If you don't have an "Exit Strategy" it can actually make this condition worse. To learn

more about creating an exit strategy for financial freedom, go to www.SchedulingInstitute.com/Events.

The bottom line is, if you make the right choices, things will be very, very good. If you make the wrong choices, things will progressively get worse for you.

Plateaued Practice Syndrome is when your collections begin to plateau or only increase slightly and your expenses start to rise, both in the practice and at home. **Expenses at home typically peak around the age of 50-55. The result is your margins begin to shrink and your net income declines.**

I have several thousand clients and consult one-on-one with hundreds of dentists on a regular basis. I know that this is a huge problem throughout dentistry. The good news is you don't have to be a victim. There are strategies that will get you off the plateau and put you on a path to financial freedom. That is my top priority for our clients and I'm going to share with you the strategies we're using to get dentists there. We've seen some pretty incredible transformations. To see some of them yourself, go to www.SchedulingInstitute.com/See-Results.

If you haven't hit the plateau yet, you're about to learn how to keep it from happening in your practice. If you're in the middle of it, these same strategies will be a turning point for you. **If it hasn't happened to you yet and you think you're immune, you're wrong!** This is not uncommon. It's a normal business cycle and regardless of the type of practice you have, this applies to you. Let's face it; if you had less than a 10% increase in revenue and your net income the last few years, you've got a plateaued practice.

You've got to be constantly pushing the revenue well ahead of the expenses. You cannot just flatline the practice. **Honestly, staying where you are is really not even an option. Things will get worse. You've got to grow your business so it will produce more income!**

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